

GENERAL AGREEMENT ON TARIFFS AND TRADE

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STATEMENT BY H.E. MR. PETER VERESS,
MINISTER FOR FOREIGN TRADE OF HUNGARY

I wish first to express my satisfaction at the exemplary preparation and organization of the work of this session and all the signs of cordiality shown us.

The present conditions of international trade, which are reflected in the draft Ministerial Declaration, call not only for general findings, but also, and above all, for concrete decisions. It is therefore in the light of these decisions that Hungary will judge the outcome of this conference.

Hungary has no great weight or responsibility in the system of trade relations, but since the operation of that system concerns it closely, it has a great interest therein.

In the present situation of the world economy, GATT must maintain and strengthen its contractual character, as well as its rôle in supervising compliance with contractual obligations. I have to note with regret that the member countries of the European Economic Community, contrary to their obligations contracted ten years ago, are maintaining against Hungarian exports quantitative restrictions incompatible with Article XIII of the General Agreement.

We also note with anxiety that economic and trade relations are being used as political instruments in breach of contractual obligations. This practice infringes the provisions of the General Agreement and thus threatens the rôle and the very existence of GATT at a time when the strengthening of this system is in the interests of all participants in world trade.

We welcome the decision to set up a Committee on Trade in Agriculture. Our expectation is that the activities of this Committee will contribute mainly to enlarging opportunities and improving conditions of access to markets, to making markets more predictable and to preventing countries from applying or readjusting their national policies to the detriment of the commercial interests of other countries.

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The procedure for settlement of disputes should also be based on the strengthening of the contractual nature of GATT. Conciliation procedures can only achieve their purpose if they are based on strict compliance with rules.

This means compliance with the rules in every way, with regard to all countries, irrespective of their economic and social system.

Hungary intends to contribute with all the means at its disposal to the full application of the rules of international trade laid down in the General Agreement and intends to participate more fully in the international division of labour.